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SDMS # 88206518

PARR-RICHMOND TERMINAL COMPANY
 Executive Offices No. 1 Drumm St
 San Francisco 11, California

August 17, 1948

Colonel S. N. Marrick, District Engineer
 San Francisco District
 Corps of Engineers
 74 New Montgomery Street
 San Francisco, California

Dear Colonel Marrick:

We desire to present additional information as to the economic benefits to be derived from widening and deepening the channels of the Port of Richmond and respectfully submit the following:

1. If the channels are improved to the required depths and widths, the following will be economic savings which are now current costs:
 - a. On an average, 12 vessels per month have definite need of tug and pilotage service for egress and ingress to Richmond Inner Harbor, with a total cost of \$3360 per month, or \$140 for each tug per trip inbound or outbound. In addition, an average of at least 25% of these vessels require two tugs, resulting in an additional cost of \$840, or a total cost of \$4200 per month and an annual cost of \$50,400.

For the period from July 1, 1947 to June 30, 1948 our records indicate that the 179 vessels calling at the Inner Harbor of Richmond required the use of 274 tugs. This number represents tugs actually listed on our terminal log books. Many other tug boats utilized by vessels were not identified, particularly during the dark hours. The period analyzed showed fewer vessel calls than any similar period in recent years. The average figures outlined above were determined from our experience over a considerable number of years.

- b. Four ships per month on an average are forced to wait favorable tide conditions because of the inadequate channel causing a delay of approximately 4 hours for each ship which means \$720 per month for vessel demurrage costs, or an annual total of \$8640. In addition, there is an average loss of 100 man-hours per month for long-shoremen hired for the purpose of working cargo on these

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delayed vessels, which means a monthly cost of approximately \$230, or a yearly cost of \$2760.

Complete records are not available to us on all vessels' delays caused by channel conditions inasmuch as these matters are primarily vessel operating records. The average figures outlined above are based on our past experience as port operators.

The following examples are typical illustrations of the difficulties faced by vessels entering the Richmond Inner Harbor and are taken from excerpts in our log books:

Log: Terminal No. 1 May 21, 1947

SS "Adrastus" was originally scheduled to sail at 6:00 AM, but pilot refused to take the ship out at that time because of an extremely low tide, being afraid that there were high spots out in the channel. Tug "Sea Witch" that was in attendance at that time was dismissed. Vessel finally sailed at 10:17 AM. Draft: 23:01--Fwd and 26.08-Aft. Tug "Sea King" assisted.

Log: Terminal No. 1 June 30, 1947

Mr. Hutton estimates that loading of the vessel will be completed about 5:00 PM tomorrow (Tuesday) nite. Captain decided that due to the deep draft of the vessel, he would not chance a night sailing, and tentatively set up the time of departure as 1:00 PM on Wednesday, July 2 (Russian tanker "Elbrus").

Log: Terminal No. 1 July 1, 1947

All loading was completed at 10:00 PM (SS "Elbrus"). Vessel is still scheduled to sail at high water tomorrow at 1:00 PM.

Log: Terminal No. 1 July 2, 1947

SS "Elbrus" departed at 12:50 PM; Draft :29.10--Fwd and 30.07-Aft. Two tugs assisted - the "Sea Prince" and "Sea Wolf."

Log: Terminal No. 1 July 10, 1947

Mr. Long advised that the Captain of the "Sparrows Point" claimed that at time of arrival his vessel went aground in the channel. Arrival was high tide with the vessel drawing 29 feet.

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Log: Terminal No. 1 July 31, 1947

SS "SPARROWS POINT" in at Richfield Oil at 1:00 PM. No cargo on this vessel for the Time Oil Company. Captain of the ship reports that conditions in the channel between the No. 2 Red Buoy (west of the Santa Fe ferry) and the spar-buoy near the end of the breakwater are very bad. With a 4'8" tide, soundings indicated only 26 feet of water practically the entire distance. Soundings were taken from the vessel while proceeding to the dock.

Log: Terminal No. 1 August 1, 1947

Relative to the report of bad conditions in the channel as indicated in yesterday's log, a Red Stack tug went over the same area yesterday and found about 4 feet of water more than reported by the Captain of the "Sparrows Point". Average appeared to be about 25.09 at mean low as opposed to 21.04 reported previously. This sounds more logical, but nevertheless wholly inadequate for the heavy traffic and deep draft vessels passing here.

Soundings by Red Stack were taken at 9:00 AM, August 1, with the water at 2.03 above mean low. Average depth at this tide was 28.00 feet.

Log: Terminal No. 1 September 2, 1947

As a result of complaints made from this office relative to bad conditions in the channel, the U. S. Engineers dispatched a hopper dredger to start working in the area between the Santa Fe Ferry slip extending westward to the Standard Oil pier. Operations started today and will continue for at least a week.

Log: Terminal No. 1 September 22, 1947

On arrival of the "Sparrows Point" at Richfield Sunday morning, the captain of the vessel reports conditions in the channel not yet what they should be.

Log: Terminal No. 1 December 12, 1947

SS "Novorossisk" departed from Parr 3 at 5:30 PM, arriving here (first line) at 6:45 PM. Vessel was entirely fast at 7:15 PM. Tide at this period was about -1.0, and the captain claimed he was on the mud both at Parr No. 3 and at the entrance to the basin at Parr No. 1, accounting for the delay in docking here.

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Log: Terminal No. 3 June 8, 1948

The Captain of the M.S. "Priam" would not sail on schedule because of the tide, claiming insufficient water. The vessel was drawing 28' 6" Forward and 29' 6" Aft. Vessel delayed 5 hours. Captain has indicated by letter his refusal to again enter the Inner Harbor of Richmond.

Further, there are indeterminable but actual costs due to a delay in cargo turn-over on the terminal facilities. Another cost is the factor of cargo demurrage which runs into several hundred dollars per month.

Similar to cargo demurrage, there is rail car demurrage which on the average penalizes shippers approximately \$50 per month, or \$600 annually.

- c. Often required to wait for vessels that are delayed by channel conditions are mechanics, ship repair firms, ship chandlers, oil barges and ship service concerns. These delays are another cost that is difficult to estimate.
- d. New vessels placed in the TransPacific and other off-shore trades are constructed larger each year. With the growth in size of vessels, we are receiving many objections from vessel operators in our efforts to have these larger ships call at the Port of Richmond and properly serve the shippers adjacent to the area.

In summary, the total economic savings of determinable costs on present commerce would be approximately \$62,400 annually plus substantial indeterminable costs.

2. The proposed modifications of the Richmond Harbor project will produce the following future economic benefits:

- a. New facilities can be developed. It will make possible the development and operation of our Bulk Cargo and Heavy Lift Terminal. It will also make possible the adequate development of the Bulk Oil Terminal of the Texas Company.
- b. The immediate investment in new facilities made possible by the dredging project will exceed \$3,500,000. The ultimate investment on presently proposed developments will exceed \$5,000,000. Undoubtedly this project will bring other investments of a substantial amount.
- c. This new investment will bring additional taxes, both Federal and local, which will exceed \$200,000 per year

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- d. New commerce and trade will be brought to the Port of Richmond. The new tonnage passing through the harbor will exceed 500,000 short tons annually.
- e. New payrolls for the Richmond community will exceed \$275,000 annually, if the proposed dredging project is carried out.
- f. The Bulk Cargo and Heavy Lift Terminal will provide the following savings to shippers:
 - (1) Heavy lift charges now in effect and assessed by floating derrick barges will be cut 50% to 60%. This terminal will allow the movement of heavy lift commodities direct from dock to vessel without the intermediate use of floating derrick barges. These savings will amount to at least \$75,000 annually and will be increased upwards as the amount of tonnage increases.
 - (2) Rail car demurrage savings to shippers will amount to over \$10,000 per year. The new Bulk Cargo Terminal will provide adequate shipside and storage areas for the receiving of bulk cargoes. Not only will this effect savings in car demurrage but it will release and make available to the railroad gondola cars which are in serious short supply.

The proposed modifications of the Richmond Harbor project will bring economic savings in present commerce and will promote the further development of commerce, trade and industry in the Richmond Harbor area. These have been outlined above. In addition, the proposed modifications of the project will bring intangible values which are incalculable. These modifications will increase the industrial and commercial potential of the entire area which in turn will bring increased investment, taxes and payrolls to the community.

Yours very truly,
PARR-RICHMOND TERMINAL COMPANY

/s/ by John Parr Cox
John Parr Cox
Managing Director